REMARKS

Claims 1-7, 9-12, and 14-22 are pending. Applicant has carefully considered the Final Action dated July 25, 2007 ("Final Action") in this Application. Applicant presents the above amendments and following remarks in a sincere attempt to place this Application in condition for allowance. Applicant has amended Claims 1, 9, 12, 21, and 22 in this Response. Applicant respectfully requests that these amendments be entered as they will place the Claims in condition for allowance. Applicant has cancelled Claims 8 and 13 in this Response. Applicant respectfully requests reconsideration and allowance in light of the above amendments and the following remarks.

Claims 1-7, 9-12, and 14-22 stand rejected under 35 U.S.C. §102(e) as allegedly anticipated by U.S. Patent Application Pub. No. 2007/0005685 by Chau et al. ("Chau"). Applicant respectfully traverses these rejections. However, the Examiner has also indicated that Claims 8 and 13 "would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims." Final Action, Page 2.

Accordingly, Applicant has amended Claim 1 to include the limitation of Claim 8, reciting, in relevant part, "wherein the transaction exchange server is configured to purchase the another gift card with the released funds." Support for this amendment can be found, among other places, at Page 5, lines 17-22 of the Original Application. As cancelled Claim 8 depended directly from independent Claim 1, Applicant respectfully submits that Claim 1 is now in condition for allowance. Applicant therefore respectfully requests that Claim 1, and the dependent Claims 2-7 be allowed.

Applicant has also amended Claims 9, 21, and 22 to include the limitation of Claim 13, reciting, in relevant part, "charging a first service fee for issuing the second gift card." Support for this amendment can be found, among other places, at Page 5, lines 12-22 of the Original

Application. As cancelled Claim 13 depended directly from independent Claim 9, Applicant respectfully submits that Claim 9 is now in condition for allowance. As Claims 21 and 22 recite similar elements as Claim 9, Applicant respectfully submits that Claims 21 and 22 are also in condition for allowance. Applicant therefore respectfully requests that Claim 9, and the dependent Claims 10-12 and 14-20, and Claims 21-22 be allowed.

Applicant has now addressed all of the Claim objections and rejections cited in the Final Action. In view of the amendments to the Claims and Applicant's remarks, Applicant believes that pending Claims 1-7, 9-12, and 14-22 are in condition for allowance, and respectfully request allowance of Claims 1-7, 9-12, and 14-22.

Applicant believes no additional fees are due in this Response. In the event that any other fees are due, Applicant hereby authorizes the Director to charge any required fees due (other than issue fees), and to credit any overpayment made, in connection with the filing of this paper to Deposit Account No. 50-0605 of CARR LLP.

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Applicant believes that the present Response contains a complete response to the issues raised in the Office Action. Applicant respectfully requests full reconsideration. If the Examiner should have any questions, comments or suggestions, the undersigned attorney earnestly requests a telephone conference. In particular, should the Examiner deem that any further amendment is desirable to place this application in condition for allowance, Applicant invites the Examiner to telephone the undersigned at the number listed below.

Respectfully submitted,

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